

CONDITIONS OF SALE

1. AUCTION PROCEDURE

- 1.1 The conduct of the auction is subject to the control of the Auctioneer who has the sole right to regulate the bidding procedure.
- 1.2 The sale shall be by the taking and raise of bids and will be exclusive of Value Added Tax and commission and will be taken in South African currency.
- 1.3 Every bid shall constitute an offer to purchase the Property, on the terms and conditions set out in this Agreement, which the Seller or the Auctioneer may accept or reject in their absolute discretion. The Seller and the Auctioneer are entitled, in their absolute discretion, to withdraw the Property from sale prior to acceptance of this offer by the Seller.
- 1.4 In the event of any dispute between bidders, the decision of the Seller in conjunction with the Auctioneer shall be final and binding.
- 1.5 The Auctioneer shall be entitled to correct any error made by the Auctioneer or its representatives.
- 1.6 A bid is irrevocable, valid and binding until expiry of the Confirmation Period, during which time the offer shall be open for acceptance by the Seller, as set out in clause 2.1 below.
- 1.7 The highest bidder (the "Purchaser") shall sign these conditions of sale immediately on the fall of the hammer.
- 1.8 The property is sold voetstoots as it now stands and neither the Seller nor the Auctioneer shall be liable for any latent or patent defects of whatsoever nature therein.
- 1.9 Neither the Seller nor the Auctioneer shall be liable to indicate existing boundary/ies or existing encroachments. The Seller renounces all claims to any excess and will not be liable for any deficiency in the declared extent thereof.
- 1.10 The Seller gives no warranties of any nature whatsoever and specifically point out that it does not have any knowledge as to whether there are approved buildings plans filed with the local authority, if the property has any improvements constructed thereon.

2. ACCEPTANCE AND CONFIRMATION

- 2.1 The Purchaser's offer shall be open for acceptance by the Seller until close

of business on Monday, the 23rd of May 2011 (the "Confirmation Period").

- 2.2 The Seller shall be entitled to accept the Purchaser's offer at any time prior to expiry of the confirmation period (the "Acceptance Date").
- 2.3 Should the Seller reject the Purchaser's offer, the amount received as deposit and for commission payable, shall be refunded to the Purchaser in full as is set out in paragraph 5 hereof.

3. **PURCHASE PRICE AND PAYMENT**

3.1 The purchase price of the Property, which is the final bid price accepted by the Auctioneer (the "Final Bid Price"), plus Value Added Tax at the ruling rate from time to time (currently 14%), (the "Purchase Price") shall be paid as follows:

3.1.1 A deposit of 5% (FIVE PERCENT) of the Final Bid Price, including Value Added Tax, immediately on the fall of the hammer, payable to the Seller's Attorneys, Messrs Jacobs & Partners, 8 Rhodes Street, Kensington B, Randburg (the "Seller's Attorneys") who shall hold same in trust, pending registration of transfer of the Property in the name of the Purchaser ("registration of transfer");

3.1.2 The balance of the Purchase Price shall be paid to the Seller in cash, free from any exchange, against registration of transfer and:

3.1.2.1 shall be secured by the delivery of a guarantee to the Seller's Attorneys, issued by a registered financial institution, to the satisfaction of the Seller, alternatively;

3.1.2.2 should the Purchaser elect to pay the balance of the Purchase Price in cash, it may be secured by depositing the amount with the Seller's Attorneys who shall hold same in trust, pending registration of transfer,

which guarantee/s shall be delivered and/or the cash payment/s made within 30 (THIRTY) days from the Acceptance Date.

3.2 Interest on all payments made by the Purchaser in terms of this paragraph 3, will accrue and be payable to the Purchaser on the date of registration of transfer. The Purchaser hereby authorizes the Seller's Attorneys to invest the monies in Trust with a registered financial institution in terms of the provisions of Section 78(2A) of the Attorneys Act.

4. **COMMISSION**

4.1 The Purchaser is liable to pay, in addition to the Purchase Price, commission of 10% (TEN PERCENT) of the Final Bid Price, plus Value Added Tax at the ruling rate from time to time (currently 14%).

4.2 Commission is payable by the Purchaser:

- 4.2.1 immediately upon the fall of the hammer;
- 4.2.2 to the Seller's Attorneys, to be held in trust pending registration of transfer, on which date the commission and interest accrued thereon will be paid out in terms of the agreement entered into between the Seller and the Auctioneer.
- 4.3 Commission is deemed to be earned on the Acceptance Date, after which date it will be forfeited by the Purchaser in the event of non-compliance, as set out in this agreement.
- 4.4 The Seller and the Auctioneer hereby irrevocably authorizes the Seller's Attorneys to invest the monies payable to them in Trust with a registered financial institution in terms of the provisions of Section 78(2A) of the Attorneys Act.

5. **NON-ACCEPTANCE BY THE SELLER**

Should the Seller not accept the Conditions of Sale, for whatever reason, the Seller's Attorneys shall immediately refund to the Purchaser the deposit and all other amounts paid by the Purchaser in terms hereof, as soon as such amount/s paid by the Purchaser have been cleared by the bankers of the Seller's Attorneys.

6. **PENALTY**

Notwithstanding anything to the contrary contained in this agreement, in the event that any payment due by the Purchaser is not made on due date, the Purchaser shall be liable for interest on such unpaid amounts at the prime overdraft rate charged by ABSA Bank Limited from time to time, calculated from the due date of such payment to the date on which payment is made to the Seller and/or the Seller's Attorneys.

7. **OCCUPATION / POSSESSION**

Occupation and possession of the Property will be given and shall be taken by the Purchaser on the date of registration of transfer, from which date it will be for the sole benefit, risk, profit and loss of the Purchaser, unless agreed to otherwise in writing.

8. **RATES, TAXES AND OTHER IMPOSTS**

- 8.1 The Seller will be liable for all rates, taxes and other municipal charges in respect of the Property until date of registration of transfer, from which date it will be the liability of the Purchaser.
- 8.2 The Purchaser is obliged to attend at the offices of the Local Authority to pay the required deposit/s and to open an account, including the account/s for water and electricity consumption in the name of the Purchaser and will provide written proof from the Local Authority to the Seller's Attorneys, prior

to registration of transfer, that he has complied with this requirement.

9. TRANSFER AND COSTS OF TRANSFER

- 9.1 Transfer of the Property will be effected by the Seller's Attorneys as soon as possible after the Acceptance Date, provided that the Purchaser has complied with the terms and conditions of this agreement.
- 9.2 The Purchaser is liable for payment of all transfer costs, including, but not limited to, attorneys fees, disbursements, transfer duty and Value Added Tax (if applicable) and all other costs necessarily incurred to effect transfer.
- 9.3 The Purchaser shall, immediately upon request by the Seller's Attorneys:
 - 9.3.1 pay the transfer costs; and
 - 9.3.2 provide information and/or documentation required for registration of transfer; and
 - 9.3.3 sign all documents required to effect registration of transfer.

10. **EXISTING TENANCIES AND RIGHTS OF TENURE AND OCCUPATION**

10.1 The Property is sold subject to all existing tenancies, which the Seller hereby confirms and undertakes will be terminated at the latest, with effect from the date of registration of transfer, unless otherwise agreed to in writing between the Seller and the Purchaser.

10.2 The Purchaser shall not be entitled to give notice of termination of any lease agreement, should it be required, prior to fulfillment of his obligations in terms of this agreement and acknowledges to be acquainted with the provisions of :

10.2.1 the Restitution of Land Rights Act 22 of 1994;

10.2.2 the Land Reform (Labour Tenants) Act 3 of 1996;

10.2.3 the Extension of Security of Tenure Act 62 of 1997;

which regulate the rights of tenure and occupation of any third party. Except as otherwise specifically recorded herein, the Seller has not given any warranty or made any representations, whether express or implied, regarding the rights in law of any occupier, tenant or third party in terms of the aforesaid Acts and more particularly that such rights may not exist. The Purchaser hereby indemnifies the Seller against any claim which may arise or action that may be instituted by any third party in this respect.

11. **REPAIRS, ALTERATIONS OR IMPROVEMENTS**

The Purchaser shall not affect any repairs, alterations and/or improvements to the Property prior to registration of transfer. Should the Purchaser contravene the provisions of this paragraph, the Seller shall not be obliged to compensate the Purchaser in any respect and the Purchaser shall be liable for any damages suffered by the Seller as a result thereof.

12. **CONDITIONS AND SERVITUDES**

12.1 The Property is sold subject to the terms and conditions reflected in the title deed/s of the Property and/or imposed by any law or by-laws, including, but not limited to any zoning, town-planning scheme or servitudes which may be applicable.

12.2 The Purchaser hereby acknowledges that he has not been induced into entering into this agreement by any express or implied information, statement, advertisement, presentation, brochure or booklet presented or made by or on behalf of the Auctioneer, the Seller or any other person. The Purchaser acknowledges that he has fully acquainted himself with the Property, its beacons and the conditions relating thereto.

12.3 The Purchaser acknowledges that any information contained in auction documentation, is provided to inform or assist prospective purchasers and

neither the Seller, nor the Auctioneer, can be held liable for any representations made, unless such representation has been deliberately and fraudulently done to misrepresent facts to the benefit of the Seller.

13. **BREACH**

13.1 In the event that either party fails to comply with any of the provisions of this agreement and that party remains in breach for a period of 5 (FIVE) days after receipt of a written notice addressed to such party by the aggrieved party, calling upon the defaulting party to remedy the breach, the aggrieved party shall be entitled, without prejudice to other remedies available in law, to either -

13.1.1 Cancel the sale; or

13.1.2 Claim specific performance and if the aggrieved party is the Seller, the Seller shall be entitled to claim payment of all amounts due irrespective of whether the due date for payment has arrived or not.

13.2 In addition, the aggrieved party shall be entitled to claim damages suffered as a result of such breach and, if the aggrieved party is the Seller, he shall also be entitled to:

13.2.1 claim costs from the Purchaser to auction the Property again, which will include any marketing costs payable in respect of such auction; and

13.2.2 to retain as rouwkoop any monies paid by the Purchaser, including the deposit together with interest thereon, as a genuine pre-estimate of damages suffered by the Seller as a result of breach of contract by the Purchaser.

13.3 The defaulting party shall be liable to pay any legal costs incurred by the aggrieved party on a scale as between attorney-own client, which costs will be charged in accordance with the prescribed High Court tariff of fees plus 25 (TWENTY FIVE) percent.

13.4 If the sale is cancelled as a result of breach by either party or by mutual consent between the Seller and the Purchaser, the commission payable in terms of the provisions of paragraph 4 is not refundable and shall be forfeited. The Conveyancer is hereby irrevocably authorized to pay the commission as agreed to in writing with the Seller immediately upon cancellation of the agreement.

14 **DOMICILIUM CITANDI ET EXECUTANDI**

The Seller and the Purchaser hereby choose as their respective domicilium citandi et executandi, the addresses recorded below their signatures hereunder, at which address all notices and/or court proceedings may be served. Any notice, sent by pre-paid registered post shall be deemed to have been received on the fifth day after the date of posting and if delivered

by hand or sent by facsimile, it shall be deemed to have been received on the date of delivery or the date on which the fax was dispatched, whichever may be applicable.

15 ELECTRICAL COMPLIANCE CERTIFICATE

The Purchaser shall, at his own cost, obtain a Certificate of Compliance contemplated in Government Regulation No. 2920 of 23 October 1982 of the Machinery and Occupation Safety Act, 6 of 1993. The Seller will not be held liable in any respect whatsoever, including in respect of any damages suffered and/or caused as a result of the Certificate of Compliance not being issued or obtained.

16 FICA AND CUSTOMER ACCEPTANCE SCREENING

The Purchaser:

- 16.1 undertakes as a requirement of South African Legislation in terms of FICA, to provide all documentation and information (the FICA Documents) to the Seller's Attorneys immediately upon demand.
- 16.2 hereby authorises the Seller's Attorneys to do a credit validation check on the Purchaser and its directors/members/trustees/nominees (if applicable) during the tenancy of this agreement.

17 MOVABLES

This sale shall not include any movables or assets which are not of a permanent nature, other than those specifically referred to herein or in any annexures.

18 COMPANY OR CLOSE CORPORATION TO BE FORMED

In the event of the Purchaser signing this agreement in his capacity as trustee for a company or close corporation to be formed and the Purchaser fails within 14 (FOURTEEN) days from the Date of Acceptance to register such company or close corporation having as one its objectives the ratification and adoption of this agreement, or such company or close corporation fails to adopt or ratify this agreement within 7 (SEVEN) days after date of its incorporation, then in such event the Purchaser shall be deemed to have entered into this agreement in his personal capacity and to have acquired all the rights and obligations of the Purchaser under this Agreement.

19 NOMINEE/S

- 19.1 The Purchaser shall be entitled, by notice in writing to the Seller, to nominate a nominee/s in his place as Purchaser, subject to the following terms and conditions:

- 19.2 The aforesaid notice shall be handed to the Seller by not later than close of business on the acceptance date;
- 19.3 The notice shall set out the name and address of the nominee/s and shall be accompanied by the nominee's written acknowledgement that:
- 19.3.1 It is fully aware of all the terms and conditions of this agreement as if fully set out in such written acknowledgement; and
- 19.3.2 it is bound by the provisions of this agreement as the Purchaser;
- 19.4 Should the Purchaser nominate a nominee/s in terms of this clause, then:
- 19.4.1 references to the Purchaser in this agreement shall be deemed to be a reference to his nominee; and
- 19.4.2 the Purchaser by his signature hereto, hereby interposes and binds himself as surety and co-principal debtor in solidum, for and on behalf of all the obligations of the aforesaid nominee as Purchaser, to and in favour of the Seller for all the Purchaser's and the nominee/s' obligations under this agreement and renounces the benefits of division and excussion.

20 SURETYSHIP FOR NOMINEE, COMPANIES, CLOSE CORPORATIONS AND TRUSTS

In the event of a company or close corporation, being registered and duly adopting or ratifying this agreement, or the nomination effected, as provided for in this Agreement or should the Purchaser be a company, close corporation or a trust, the signatory by his signature hereunder, binds himself to the Seller and the Auctioneer as surety and co-principal debtor in solidum with such company, close corporation or trust for due performance by the Purchaser with the terms, conditions and obligations arising out of this agreement and hereby renounces the benefits of division and excussion.

21 GENERAL

- 21.1 These conditions of sale constitute the entire agreement between the parties whether sold by public auction or otherwise. No other terms, conditions, stipulations, undertakings, representations or warranties shall be of any force or effect except these expressly included herein. No variation of, addition to, mutual cancellation or amendment of this agreement and no waiver by either party of any of its rights hereunder shall be of any force or effect unless reduced to writing and signed by the Seller and the Purchaser or their duly authorized representatives.
- 21.2 If this agreement is signed by more than one person as Purchaser, the obligations of all the signatories shall be joint and several. If this agreement is not signed by all the persons whose names are listed as Purchasers, this agreement shall nonetheless be binding on the Purchasers, who have

signed this agreement, jointly and severally.

- 21.3 If the Purchaser is married, it is hereby confirmed that the consent required from the signatory's spouse in terms of the provisions of the Matrimonial Property Act, 1984 has been obtained.
- 21.4 No latitude, extension of time or other indulgence granted by any party to the other in respect of that party's obligations hereunder shall under any circumstances constitute or be deemed to constitute a waiver or novation of or otherwise affect that party's rights in terms of this agreement.
- 21.5 Any party signing this agreement in a representative capacity warrants that he is duly authorised to act on behalf of the party that he is representing.
- 21.6 Words importing:
- 21.6.1 the singular shall include the plural; and
- 21.6.2 the masculine gender shall include the feminine; and
- 21.6.3 persons shall include partnerships and bodies corporate
and vice versa.

The purchaser acknowledges that he acquainted himself with the contents of these conditions of sale, which he understands, it being confirmed that the property is sold by the rise of the hammer:

[A] For the amount of: R _____ (the Final Bid Price)
(_____)

[B] Value Added Tax of 14%:
R _____ ([A] above x 14%)
(_____)

[C] **TOTAL** R _____
(_____)

PAYABLE ON THE FALL OF THE HAMMER

[D] Deposit of 5%: R _____ ([C] x 5%)
(_____)

[E] Commission of 10%: R _____ ([A] x 10%)
(_____)

[F] VAT on commission: R _____ ([E] x 14%)
(_____)

TOTAL PAYABLE AT AUCTION:

[D] + [E] + [F] R _____
(_____)

SIGNED by the Purchaser at RUIMSIG on the 20th day of MAY 2011.

AS WITNESSES:

1. _____ PURCHASER

2. _____

INFORMATION OF THE PURCHASER:

NAME: _____

CONTACT PERSON: _____

IDENTITY/REGISTRATION No.: _____

PHYSICAL ADDRESS: _____

POSTAL ADDRESS: _____

TELEPHONE No.: _____

CELLPHONE No.: _____

FAX No.: _____

E-mail address: _____

SIGNED by the Auctioneer at RUIMSIG on the 20th day of MAY 2011.

AS WITNESSES:

1. _____ AUCTIONEER

2. _____

Confirmed by the Seller at _____ on the day of MAY 2011.

AS WITNESSES:

1. _____ SELLER

2. _____